

**Basin Electric Power Cooperative  
IS Transmission Revenue Requirement  
For Year Ended December 31, 1996**

**Summary**

Line	DESCRIPTION	AMOUNT	ADJUSTMENTS	COS	AMOUNT	REFERENCE
1	Transmission Plant Investment				328,486,072	Accounting Records (Exhibit 1)
2	Less Accumulated Depreciation				(115,675,127)	Accounting Records (Exhibit 1)
3	General Plant Trans Share	91,897,481	(25,193,057)		7,835,102	Worksheet 2 Labor ratio .11746 & (Exh 2)
4	Less Accum Depr - GP-Trans	54,857,016	(12,417,229)		(4,984,977)	Worksheet 2 Labor ratio .11746 & (Exh 2)
5	Materials & Supplies Trans	4,355,317			3,067,965	Worksheet 3 TP ratio .70442 (Exh 2.1 & Exh 3, 12h, L5d)
6	Cash Working Capital				448,066	(45/360 * Trans O&M)
7	Transmission Investment Rate Base				219,177,100	
8						
9	Rate of Return				19,628,790	Worksheet 1 ROR Calculation & (Exh 4, 4.1, & Exh 5, L22 b)
10	Transmission Depr Expense				7,921,629	Accounting Records (Exhibit 1, p 3)
11	GP Depr Expense Trans Share	5,680,173	(1,110,751)		536,724	Worksheet 2 Labor ratio .11746 & (Exh 2)
12	GP Maintenance	292,389			34,344	Worksheet 2 Labor ratio .11746 & (Exh 5, 12a, L18b)
13	Taxes Other than Income	11,174,348			1,626,762	Worksheet 4 Other Taxes & (Exh 6)
14	A & G Expenses	22,010,774			2,585,432	Worksheet 5 A & G & (Exh 5, 12a, L13b)
15	Transmission O&M (Net of wheeling)	5,088,640			3,584,531	Worksheet 3 TP ratio .70442 & (Exh 7, 12i, L22ab)
16	Subtotal Transmission Revenue Requirement				35,918,212	
17						
18	Annual Trans Third Party Payment				566,762	
19	Annual Trans Third Party Revenue*				(896,364)	
20						
21	Total Transmission Revenue Requirement				35,588,610	

\*See Page 2 for breakdown

**Appendix E - Integrated System Transmission Cost Support - Basin**

#### Third Party Payments

LaCreek Electric	104,154.13
L&O Pahoja/Cleveland	234,560.00
Tioga Substation (MDU ICCUA 24-D Rev 4)	215,988.00
Dickinson Substation (MDU ICCUA 3-C Rev 1)	12,060.00
Total Third Party Payments	<b>566,762.13</b>

#### Third Party Receipts

MAPP Schedule F Trans Revenue	419,452.00
AVS Transmission Payment (MDU AVS #2)	155,360.00
Logan-Tioga 230KV (MDU ICCUA 24-C Rev 3)	76,524.00
Logan-Kenmare 115KV (MDU ICCUA 6-C Rev 3)	173,100.00
LOS-Logan 230KV, Logan, Logan-Mallard (ICCUA 23C)	71,928.00
Total Third Party <b>Revenue</b>	<b>896,364.00</b>

#### Appendix E - Integrated System Transmission Cost Support - Basin

**Basin Electric Power Cooperative**  
**Rate of Return**  
**December 31, 1996**

Worksheet 1

	Amount	% of Total	Interest Rate	Revenue Requirement
LIABILITY	1,345,483,806	75.6750%	6.4233%	86,423,875
EQUITY	427,807,254	24.1250%	8.0000%	34,224,580
TOTAL	1,773,291,060			120,648,455
IS Transmission Investment	219,177,100		3.9557%	19,628,790
Total Net Plant investment	1,347,173,139			
Total Equity	638,454,682			
Less DGC Retained Earnings	(210,647,428)			
Total Equity	427,807,254			

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**Basin Electric Power Cooperative  
Transmission Plant Investment  
Labor Ratio Calculation  
December 31, 1996**

Worksheet 2

<u>Labor Allocation Ratio</u>	<u>Amount</u>	<u>Percent</u>
Transmission Payroll	3,081,539	
Total Payroll Excluding A & G	26,234,326	0.11746
 Total Payroll	 42,227,338	
A & G Payroll	15,993,012	
Transmission Payroll	3,081,539	

**Basin Electric Power Cooperative  
Transmission Plant Investment  
Plant Investment Ratios  
December 31, 1996**

Worksheet 3

<u>Transmission Plant Investment</u>	<u>Amount</u>	<u>Percent</u>
Total Gross Transmission Plant	420,307,830	
plus: Gross General Plant Transmission	25,193,057	
Plus: Gross intangible Transmission	<u>31,944,361</u>	
Total Gross Transmission Plant Investment	477,445,248	
 Total IS Transmission + IS General Plant	 <u>336,321,173</u>	
Total Gross Transmission Plant	477,445,248	
Ratio of IS to total Transmission Plant		0.70442
 <u>Plant Allocation Ratio</u>		
 <u>Adjusted ( Gross) IS Trans Plant Invest</u>	 <u>336,321,173</u>	
Total Gross Plant Investment	2,112,000,791	0.15924

**Basin Electric Power Cooperative  
Transmission Plant Investment  
Other Taxes Calculation  
December 31, 1996**

Worksheet 4

Taxes Other Than income Tax	Transmission			Total
	Amount	Share	Allocation	
Total Taxes (excluding Income Tax)				11,174,348
Transmission Taxes	165,238	<b>166,238</b>	Direct	
Payroll Taxes	205,299	205,299	Labor Direct	
Property Taxes	<b>557,635</b>	<b>557,635</b>	Direct	
Production	5,859,233	-	None	
Other	4,386,943	696,590	Plant Ratio	<b>0.15924</b>
Total IS Transmission		1,626,762		

## Worksheet 5

IS Transmission Total	2,585,432
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**Basin Electric Power Cooperative  
Miles City Transmission Revenue Requirement  
For Year Ended, December 31, 1996  
Summary**

Line	DESCRIPTION	AMOUNT	ADJUSTMENTS	COS	AMOUNT	REFERENCE
1	Transmission Plant Investment	18,989,386			18,989,386	Accounting Records (Exh 2.1, p 1)
2	Less Accumulated Depreciation	(5,846,484)			(5,846,484)	Accounting Records (Exh 2.1, p 1)
3	General Plant Trans Share	91,897,481	(25,193,057)		311,630	worksheet 2 Labor ratio .00467 & (Exh 2)
4	Less Accum Depr - GP-Trans	54,857,016	(12,417,229)		(198,271)	worksheet 2 Labor ratio .00467 & (Exh 2)
5	Materials & Supplies - Trans	4,355,317			-	(not applicable)
6	Cash Working Capital				24,694	(O&M * .125)
7						
8	<b>Transmission Investment Rate Base</b>				<b>13,280,956</b>	
9						
10	Rate of Return (times Line 8)				1,189,399	worksheet 1 ROR Calculation & (Exh 4, 4.1 & Exh 5,12)
11	Transmission Depr Expense				525,716	Accounting Records & (Exhibit 2.1, p 1)
12	GP Depr Expense - Trans Share	5,680,173	(1,110,751)		21,347	worksheet 2 Labor ratio .00467 & (Exh 2)
13	GP Maintenance	292,389			1,187	worksheet 2 Labor ratio .00467 & (Exh 5,12a,L18b)
14	Taxes Other than Income	11,174,348				
15	A & G Expenses	22,010,774			102,830	worksheet 3 A & G * .00467 & (Exh 5,12a,L13b)
16	Transmission O&M				197,554	Accounting Records
17	<b>Total Transmission Revenue Requirement</b>			<b>\$</b>	<b>2,038,034</b>	

**Appendik E - Integrated System Transmission Cost Support - Basin**

**Basin Electric Power Cooperative**  
**Miles City Transmission Revenue Requirement**  
**For Year Ended, December 31, 1996**  
**Rate of Return**

Worksheet 1

Rate of Return	Amount	% of Total	Interest Rate	Weighted Cost
LIABILITY	1,345,483,806	75.6750%	6.4233%	86,423,875
EQUITY	427,807,254	24.1250%	8.0000%	34,224,580
TOTAL	1,773,291,060			120,648,455
MCOE Investment	13,280,956		8.9557%	1,189,399
Total Net Plant Investment	1,347,173,139			

**Appendix E - Integrated System Transmission Cost Support - Basin**

**Basin Electric Power Cooperative  
Miles City DC Tie  
Ratio Calculations  
December 31, 1996**

Worksheet 2

<b>Labor Allocation Ratio</b>	<b>Amount</b>	<b>Percent</b>
Transmission Payroll	3,081,539	
Total Payroll Excluding A & G	26.234.326	0.11746
Total Payroll (Excludes DGC)	42,227,338	
A&G Payroll	15.993.012	
Transmission Payroll	3,081,539	
MC Transmission Investment	18,989,385	0.03977
Total Transmission Investment	477.445.240	
MC Transmission Labor Ratio (.11746*.03978)		<b>0.00467</b>
<b>Plant Allocation Ratio</b>	<b>Amount</b>	<b>Percent</b>
Total MC Transmission Plant Investment	18,989,386	
Plus: GP-Transmission	311,630	
Total MC Gross Transmission Investment	19.301.016	
Adjusted( Gross) Trans Plant Investment	19,301,016	
Total Gross Plant Investment	2.112.000.791	<b>0.00914</b>

**Appendix E-Integrated System Transmission Cost Support-Basin**